TO: Retail Markets Quadrant (RMQ) Information Requirements and Technical Electronic Implementation Subcommittee (IR/TEIS) Participants, WGQ Electronic Delivery Mechanisms Subcommittee (WGQ EDM), and Interested Industry Participants

FROM: Elizabeth Mallett, Director of Wholesale Gas and Retail Market Quadrants

RE: Joint WGQ EDM Subcommittee and RMQ IR/TEIS Draft Meeting Minutes – January 13, 2023

DATE: January 17, 2023

**Joint WGQ EDM and RMQ IR/TEIS Meeting**

**WHOLESALE GAS QUADRANT**

**Friday, January 13, 2023 from 2:00 to 4:00 PM Central**

**DRAFT MINUTES**

**1. Welcome & Administrative Items**

Mr. Spangler opened the meeting and welcomed the participants.Ms. Mallett provided the [Antitrust Guidelines](http://www.naesb.org/misc/antitrust_guidance.doc) reminder. Ms. Van Pelt proposed to add a discussion of Standards Request R22003 to the agenda. The agenda was modified accordingly. Mr. McCord moved to adopt the revised draft agenda as final. Ms. Lopez seconded the motion, which passed without opposition.

The subcommittees reviewed the draft meeting minutes from June 17, 2021. The date on the first page and the affiliation of Ms. Hogge on the participant list were modified. Ms. Hogge moved to adopt the draft minutes as final. Mr. McCord seconded the motion which passed without opposition.

The June 17, 2021 final meeting minutes may be accessed at the following link: <https://naesb.org/pdf4/wgq_edm_retail_ir_teis061721fm.doc>.

**2. Discuss 2023 WGQ Annual Plan Item 1.c/R22003 – Review cybersecurity standards to determine if baseline Multi-Factor Authentication (MFA) should be integrated into standard requirements and develop supportive standards as needed**

Mr. Spangler noted that a work paper, “[WGQ ‘Password’ Work Paper](https://naesb.org/member_login_check.asp?doc=wgq_edm_rmq_irteis011323a2.docx),” was submitted by Ms. Hogge and would be reviewed after the discussion on [Standards Request R22003](https://naesb.org/wgq_request.asp).

Ms. Van Pelt stated that R22003 was submitted on the behalf of several pipelines because pipelines are starting to incorporate multifactor authentication and are requesting to accommodate its use in the business practice standards. She read the proposed revisions to NAESB Standard No. 4.3.60 and noted that the request does not address how the multifactor authentication is implemented. Ms. Hogge reminded the participants that [MC22007](https://naesb.org/pdf4/wgq_mc22007.doc), an effort to move all WGQ cybersecurity-related standards into a new suite of WGQ Business Practice Standards, will affect the numbering of WGQ Standard No. 4.3.60.

Mr. Connor asked how the standard worked before the proposed changes in R22003. Ms. Van Pelt stated that, in the past, the industry has used a single log on/password pair. She stated that multifactor authentication will add another token, such as something sent to your phone. Mr. Connor asked what would happen when the phone is lost. Ms. Hogge stated that the proposed language of R22003 does not preclude the use of a single log on and password or give specific implementation instructions. She noted that implementation would be left to the provider’s practices which may include a solution in the case that a device is lost. Ms. Hogge stated that it is important that the proposal gives flexibility to the implementer.

Mr. Connor asked why the single logon/password pair should remain in the standards if the multifactor authentication provides more security. Mr. McCord stated that the pipelines have regulatory requirements with federal agencies and not all may have moved to multifactor authentication. He stated that the proposed modifications in R22003 would leave time for those pipelines who have not yet implemented multifactor authentication to do so. Mr. Spangler asked whether the agency Mr. McCord was referring to was the Pipeline and Hazardous Materials Safety Administration (PHMSA). Mr. McCord stated that he was referring to a relevant Transportation Security Administration (TSA) directive. Ms. Hogge stated that TSA has not yet mandated multifactor authentication. Ms. Van Pelt stated that pipelines are increasingly moving in the direction of implementing multifactor authentication. Mr. Spangler stated that, if the NAESB WGQ Business Practice Standards were modified to include multifactor authentication, it would not conflict with other initiatives, as the standard, if incorporated by reference into the Commission’s regulations, may take years before it is included in an order. Ms. Hogge stated that multifactor authentication will become a requirement by another federal agency before a FERC rulemaking on the topic is issued. Mr. Spangler stated that the NAESB WGQ Business Practice Standards should stand on their own to reflect the best practices for the industry. He recapped that Standards Request R22003 provides the optionality to use either a log on/ password pair or multifactor authentication.

Mr. Spangler reviewed the [WGQ ‘Password’ Work Paper](https://naesb.org/member_login_check.asp?doc=wgq_edm_rmq_irteis011323a2.docx) with the participants.

WGQ Standard No. 4.3.20: The subcommittees determined that there should be no change to this standard.

WGQ Standard No. 4.3.60: Mr. Spangler noted that this standard in the request does not match the version in the work paper. It was noted on the work paper that the standard is from Version 3.2 of the NAESB WGQ Business Practice Standards. Ms. Hogge reiterated that [MC22007](https://naesb.org/pdf4/wgq_mc22007.doc) may renumber the standard to 10.3.31 in the draft WGQ Cybersecurity-Related Standards Manual.

Parts of Informational Postings Web Site – Page Access: The subcommittees determined that there should be no change to this standard.

Security – Login and Encryption: The participants acknowledged that this standard mentions a requirement for a single logon/password pair for each user session. On the work paper, the participants noted that the standard would need to be revised along with WGQ Standard No. 4.3.60.

Flow Diagram: Ms. Hogge stated that the log on referred to is for sending flat files, not to access the Customer Activities site. Mr. Watson suggested that the language be modified for brevity. The subcommittees agreed and noted the proposed modification on the work paper.

Security – Authentication and Encryption: The subcommittees duplicated the change proposed by Mr. Watson in the Flow Diagram section in this section.

Security – Data Privacy and Encryption: Mr. Spangler stated that the reference to base64-encoding is not wrong. The subcommittees determined that there should be no change to this standard.

Security – Authentication: The subcommittees determined that there should be no change to this standard.

Proposed WGQ Standard No. 10.3.31: Mr. Spangler stated that the point of the development of the WGQ Cybersecurity-Related Standards Manual under MC22007 is to be able to respond quickly to any vulnerabilities and have the ability to publish the cybersecurity standards quickly. He noted that since multifactor authentication goes beyond the current standard, multifactor authentication could still be implemented. Ms. Van Pelt stated that the proposed revisions to the language of the standard (4.3.60 which is proposed 10.3.31 in the proposed WGQ Cybersecurity-Related Standards Manual), gives comfort to the pipelines that multifactor authentication is an option. She stated that, for compliance, many entities look to the standards as a ceiling rather than a floor. Mr. Spangler stated that the proposed language seems to be relative to the tariff, rather than the NAESB Business Practice Standards. Ms. Van Pelt stated that there are TSA directives that only pipelines are privy to and the pipelines need to remain responsive to such directives. Mr. McCord added that the information is viewable only to the pipelines and not the general public. Ms. Hogge stated that, if such a directive was issued, the implementation date would be before a FERC implementation date. She stated that with the proposed optionality to use a log on/password pair or multifactor authentication, the pipelines can remain compliant when any other federal agencies issue directives.

Mr. Spangler stated that the language is exceedingly broad and detrimental to the spirit of the standard. He stated that, from a NAESB point-of-view, the goal is to specify a method by which all users can strive to create a unified, singular approach. He stated that FERC has given deference to the industry approach within NAESB standards in the past.

Authentication: Ms. Hogge asked whether there is a need to include any specific implementation guidelines for multifactor authentication. She stated that she prefers that the implementation be left to the provider. Mr. McCord stated that it may not be beneficial to address all of the numerous options to achieve implementation.

Security Requirements – Basic Authentication: Mr. Spangler stated that the TPA is not relevant to the Customer Activities site. The subcommittees determined that there should be no change to this standard.

Recommended Internal Tests: Mr. Spangler stated that this section refers to Electronic Data Interchange (EDI) and is not relevant to the Customer Activities site. The subcommittees determined that there should be no change to this standard.

Appendix B – Informational Postings Web Site Developer Special Technical Considerations: The subcommittees determined that there should be no change to this standard.

The subcommittees turned to the Retail Book 7 sections in the “[RMQ ‘Password’ Work Paper](https://naesb.org/member_login_check.asp?doc=wgq_edm_rmq_irteis011323a1.docx).”

Data Privacy and Encryption: Mr. Spangler stated that the references to Pretty Good Privacy (PGP) and OpenPGP refer to file transfers and are not relevant to multifactor authentication. The subcommittees determined that there should be no change to this standard.

Authentication (Page 14): The subcommittees determined that there should be no change to this model business practice.

Authentication (Page 32): The subcommittees determined that there should be no change to this model business practice.

Security Requirements: The subcommittees determined that there should be no change to this model business practice.

Invalid Userid/Passwords: The subcommittee will pick up its review on this model business practice during its next meeting.

Mr. Spangler asked the Requesters of R22003 to discuss the proposed language for NAESB WGQ Standard No. 4.3.60 with their companies internally.

1. **Adjourn**

The subcommittees adjourned at 4:00 PM Central on a motion by Mr. McCord. The motion was seconded by Ms. Hogge and passed without opposition.

1. **Attendees**

| **Name** | **Organization** |
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| Todd Bohan | Sprague Energy |
| Brandon Hajek | Northern Natural Gas |
| Ronnie Hensley | Southern Star Central Gas Pipeline |
| Rachel Hogge | Eastern Gas Transmission & Storage, Inc. |
| Tom Kraft | ONEOK |
| Nichole Lopez | Kinder Morgan Inc. |
| Elizabeth Mallett | North American Energy Standards Board |
| Steven McCord | TC Energy Corporation |
| Don Muhr | Northern Natural Gas |
| Keith Sappenfield | Cheniere Corpus Christi Liquefaction |
| Lindsey Saunders | Quorum Software |
| Leigh Spangler | Latitude Technologies |
| Kim Van Pelt | Boardwalk Pipelines |
| Sam Watson | North Carolina Utility Commission |